

*Supporting
Guidelines for the C&A
Code of Conduct*

for the Supply of Merchandise





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C&A

Code of Conduct

Including Supporting Guidelines to the Code of Conduct

This document contains the full text of the C&A Code of Conduct for the Supply of Merchandise, complemented with Supporting Guidelines to the Code of Conduct, which are placed in shaded boxes at relevant locations in the text. This document also contains several appendices:

- Appendix 1: Glossary
- Appendix 2: Detailed Health & Safety Guidelines
- Appendix 3: C&A Guidelines for the Use of Home Workers
- Appendix 4: Fairness Channel Information
- Appendix 5: BSR Water Quality Guidelines



Introduction

C&A's business model is to provide high quality fashion products at affordable prices.

We are committed to doing so in a sustainable way, with respect for people and the environment, while adhering to high standards of business integrity. We strongly believe that this is the only way that C&A and its suppliers can continue to be successful in the long term.

The Code of Conduct for the Supply of Merchandise ('the Code of Conduct') describes what C&A expects from suppliers regarding legal compliance, labour practices, environmental performance, and anti-corruption.

Expectations related to other matters, such as quality standards, product standards, and delivery instructions, are addressed in other policies and guidelines. The requirements in the Code of Conduct are explained further in the Supporting Guidelines to the Code of Conduct.

The requirements apply to all suppliers who produce merchandise for C&A. It is important to note that the provisions in the Code of Conduct constitute minimum, not maximum standards. C&A expects suppliers to aim for continuous improvement of working conditions and environmental performance.

Scope of the Code of Conduct

- The Code of Conduct applies to all suppliers of merchandise to C&A, i.e. the companies with whom C&A enters into a contractual agreement for the supply of merchandise, i.e. final products sold by C&A. All of these suppliers must declare in writing that they will adhere to the Code of Conduct.
- Most of the requirements in the Code of Conduct are directly related to production activities and conditions on the factory floor. Therefore, in the text of the guidelines, the word 'suppliers' must be read as 'suppliers and their production units'.
- The Code of Conduct applies to all production units operated by all entities that are (partly) owned by the suppliers, including subsidiaries (majority stakes) and affiliates (minority stakes). It also applies to agents/importers and the production units they source from.
- The Code of Conduct also applies to production units operated by subcontractors, whereby the suppliers are responsible for ensuring compliance with the Code of Conduct.
- C&A encourages suppliers to require that their own suppliers must adhere to similar standards.
- C&A expects suppliers apply the same standards for all production, regardless of who the customer is. C&A wants to work with suppliers who subscribe to the core objectives of the Code of Conduct: to protect people and the environment, and adhere to high ethical standards in business practices. Applying lower standards for other customers, e.g. excessive overtime or using hazardous substances, is not compatible with a shared commitment to these objectives.



Requirements

C&A adheres to the ten principles of the UN Global Compact.

C&A expects suppliers to conduct their operations in a responsible manner, and make every effort to protect people and the environment.

The table below provides a summary of the requirements in the Code of Conduct.

Summary of Requirements

1. Legal Compliance

- Compliance with national & other applicable law at all times
 - Respect for intellectual property rights
-

2. Labour

- No child labour
 - No discrimination in employment
 - No forced labour
 - Respect for freedom of association and collective bargaining
 - No harsh or inhumane treatment
 - A safe and hygienic work environment
 - Special consideration for vulnerable groups
 - Regular employment
 - Living wages, paid on time
 - No excessive working hours
-

3. Environment

- Compliance with legal requirements
 - Management of environmental performance
 - Improvement of energy and water efficiency
 - Reduction of waste and emissions into the environment
 - Reduction of hazardous chemicals in the supply chain
-

4. Anti-Corruption

- No bribery and corruption
-



1. Legal Compliance

- Where the provisions of law and the Code of Conduct address the same subject, suppliers must apply that provision which affords the greater protection of workers or the environment.
- Suppliers must comply with national and other applicable law at all times.
- Suppliers must ensure that intellectual property rights are respected, and that unlawful copies are neither offered, nor produced.

Maintaining Legal Compliance

- At a minimum, suppliers must comply with the laws and regulations of the country of manufacture.
- Licenses & permits need to be obtained and kept up to date.
- Suppliers must have written procedures in place and appoint personnel to obtain/maintain current information on local labour, health & safety and environmental laws, and assign responsibility for implementing changes to a senior management representative.
- Suppliers must communicate these changes to all workers, and ensure the necessary changes are made in a timely manner, to ensure continued compliance with the law.



2. Labour

The requirements in this section are based on standards of the International Labour Organisation, the Global Social Compliance Programme, and the Ethical Trade Initiative Base Code.

C&A respects human rights, and seeks to avoid complicity in human rights abuses. C&A expects suppliers to respect the human rights of workers, and to adhere to the requirements in this section.

2.1. Child Labour

- Workers must be at least 16 years of age, or older if required by local law, including regulations for compulsory education.
- Workers performing hazardous work or working during the night must be at least 18 years of age.

Minimum Age

- C&A does not accept the recruitment of child labour. A 'child' is defined by C&A as any person less than 16 years of age, unless local law stipulates a higher age for work or mandatory schooling, in which case the higher age will apply.
- The minimum age of 16 years is higher than the legal minimum age in some countries, and higher than ILO guidelines, which apply 15 years, and in some countries 14 years as the minimum age. C&A wants to make absolutely sure that no child labour is used to produce merchandise for C&A, and avoiding the 'grey area' between 14 and 16 years should help to achieve this.
- Suppliers must have a robust age verification process, including stringent checks on the validity of the documentation. In countries where a national identity card is not available, suppliers must require two forms of age verification documents (for example, medical check-up, dental check-up, driver's license, right to vote card, etc.) and one of them should include a photo ID.
- Suppliers must make sure that no children, as defined above, are allowed in the production area, even if they are not working.

Remediation

- Suppliers must develop or participate in and contribute to policies and programmes which provide for the transition of any child found to be performing work to enable her or him to attend and remain in education until no longer a child.
- **If child labour is used or identified**, suppliers must provide minimum wage payment to the child until she/he reaches the legal minimum age. Payment should be made on a monthly basis, not in one lump sum. A health screen prior to departure is also required, as well as compensation for transportation and accommodation for a child's relatives to take her/him back home. If the child is willing to attend lessons, suppliers must bear the school fees until the child meets the legal minimum age, at which point the employee should be given the opportunity to be re-employed.



Young Workers

- Suppliers who employ young workers, defined as between 16 and 18 years of age, must take measures to ensure that these workers are protected from working conditions likely to endanger their health, safety or their moral integrity, and/or which harm their physical, mental, spiritual, moral or social development.
- This duty implies that young workers must not do hazardous work or work during night shifts.
- Furthermore, young workers must not work longer than they are permitted by the law, and receive annual medical check-ups. Where required by law, suppliers must ensure that young workers carry out the related occupational health and safety education, training and physical examination, and maintain documentation to demonstrate compliance.

Ensuring Adherence

- Suppliers must have written policies and procedures to prevent child labour. These policies and procedures must be effective and updated regularly to comply with new laws and regulations. Suppliers must communicate the policy to all workers and subcontractors.
- Proof of age documentation, and thereby compliance with legal age limitations, must be available for all employees in the form of a national identity card (or two forms of age verification document). A copy of this identification must be kept in employee personnel files.

Personnel files for all employees, including resigned or terminated employees, should be properly maintained for at least 12 months.



2.2. Discrimination

- Suppliers must not engage in, support or tolerate discrimination in employment.
- The sole basis for differentiating between worker must be the ability and willingness to do the job, rather than personal characteristics.

Scope of Non-discrimination

- Suppliers must not engage in, support or tolerate discrimination in employment, including recruitment, hiring, training, working conditions, job assignments, compensation, promotions, discipline, termination and retirement, on the basis of gender, age, religion, marital status, race, caste, social background, diseases, disability, pregnancy, ethnic and national origin, nationality, membership in worker organisations including unions, political affiliation, sexual orientation, or any other personal characteristics.

Hiring

- Suppliers must have a policy that includes an equal employment opportunity clause, to confirm a worker's right to work and advance on the basis of merit, ability and potential.
- Suppliers must not question prospective workers about their pregnancy status, and pregnancy tests must not be requested before hiring or as a pre-condition to employment. Reduction in wages or pay for workers who return after maternity leave is also prohibited.
- Suppliers must not use medical examinations to prevent a worker from being hired, and not fire workers who become ill or injured.
- Suppliers must make sure that hiring notices do not specify discriminatory factors, such as gender or race.

Religion

- Suppliers must not prohibit religious observance, prayer breaks and religious holidays.

Ensuring Adherence

- Suppliers must have a non-discrimination policy, which must be communicated to all workers. The policy must be effectively implemented, with a transparent administrative system, and evidence of compliance to show the policy is actively enforced.
- Suppliers must not retaliate against an individual for filing a charge of discrimination, participating in an investigation, or opposing discriminatory practices.
- The grievance procedures must be accessible, predictable, equitable, transparent, rights-compatible, confidential and based on engagement and dialogue.
- Suppliers must provide training on diversity and awareness of equal employment opportunities to supervisors, senior management and all staff involved in recruitment, promotion and other employment decisions.



2.3. Forced Labour

- Workers must do their work on a voluntary basis, which means that all forms of forced labour, including bonded, indentured, and prison labour, are prohibited.
- Suppliers must not infringe upon the free choice of employment by requiring deposits, retaining identity documents, or withholding wages.
- Suppliers must allow workers to terminate their employment contract after reasonable notice.

Freedom of Employment

- C&A does not permit the use of prison and/or detained labour in any form.
- Suppliers must not adopt any recruitment or employment practices that use bonded labour, including worker deductions as a repayment of a bond or payment to a third party.
- Suppliers must not force workers to work against their will, ability, or in a manner outside the provisions of the labour contract.
- Workers must be free to refuse to perform certain tasks that the worker believes to be hazardous, without fear of disciplinary action, discrimination or termination.
- Suppliers must ensure that employment contracts are lawful, in workers' native language, and do not contain provisions that prevent workers from terminating his/her employment, subject to a reasonable notice period stipulated by local law or as per industry best practice.
- Suppliers must pay all wages fully and promptly, and not employ tactics to prevent workers from leaving at will, such as withholding salary as a 'year-end bonus', or charging a penalty when workers terminate their contract.
- Suppliers and labour brokers must not restrict the freedom of employment of workers by controlling original identity papers (passports, work permits, etc.), imposing financial coercion that might deprive workers of their financial freedom (unreasonable recruitment fees, unfair employee loans, credit, etc.), and lodging of monetary deposit (training fees, personal protective equipment fees, uniform fees, working tools fees, etc.).
- Where suppliers have written consent from a worker to hold their documents, the suppliers must return the documents immediately to the worker upon request. Otherwise, suppliers must only maintain photocopies of workers' IDs for employment records.

Freedom of Movement

- Suppliers must allow workers to have free access to toilets, water and breaks without any disadvantage, disciplinary action, discrimination or termination.
- Suppliers must allow workers to leave the production unit either at the end of their shift or under extenuating circumstances, such as personal or family emergencies or illness, without fear of disciplinary action, discrimination or termination.

Ensuring Adherence

- Suppliers must have a written policy that prohibits forced, bonded, indentured and prison labour. An effective policy against forced labour addresses specific issues such as recruitment fees, wage advances and employee loans, withholding of wages, freedom of movement and possibility to leave the premises freely (e.g. if a curfew is in use), site and dormitory security, overtime, right to terminate employment, and document retention. The policy must be effectively communicated and implemented.



2.4. Freedom of Association

- Suppliers must adopt an open and collaborative attitude towards worker representation, allow workers to form or join trade unions of their own choosing, and to bargain collectively.
- Suppliers must give worker representatives access to the workplace in order to carry out their representative functions.
- Where the right to freedom of association and collective bargaining is restricted by law, suppliers must facilitate, and not hinder, workers to establish alternative forms of workers representation and negotiation.
- Suppliers must implement effective grievance mechanisms to resolve internal industrial disputes and employee complaints.

Unions & Worker Representation

- Workers have the right to be collectively represented by workers' representatives elected or selected by themselves, or when appropriate, appointed by their trade union.
- Suppliers must not discriminate against worker representatives and provide them with regular access to company management in order to address grievances and other issues.
- Suppliers must not discriminate against workers who join a trade union or participate in trade union activities, and must not threaten, discipline, punish or fire workers because they exercise this right.
- Suppliers must not prohibit trade union representatives from interacting with workers.
- Workers have the right to collective bargaining, and suppliers shall negotiate in good faith. If a collective bargaining agreement exists, suppliers must comply with all contractual provisions.

Grievances

- Suppliers must ensure workers have the ability to access appropriate resources and management, on their own or through a worker representative, to address their specific concerns or grievances regarding working conditions, without fear of reprisal, intimidation, harassment or discrimination.
- Suppliers must establish, implement and communicate a grievance mechanism that is accessible, predictable, equitable, transparent, rights-compatible, confidential and based on engagement and dialogue.

Ensuring Adherence

- Suppliers must have a policy and procedures on freedom of association, and educate workers to ensure that they understand their rights.
- Suppliers must train managers and supervisors on respect for freedom of association and the rights to collective bargaining.



2.5. Harsh & Inhumane Treatment

- Suppliers must treat workers with dignity and respect, and not engage in or tolerate bullying, harassment, intimidation, violence, corporal punishment or abuse of any kind.
- Suppliers must establish written disciplinary procedures, explain them in clear terms to their workers, and keep a record of all disciplinary actions.
- Suppliers must make sure that disciplinary measures are proportionate, and do not include physical or mental punishment.

Definitions & Examples

- Suppliers must not engage in physical abuse or discipline, the threat of physical abuse, sexual or other harassment & verbal abuse or other forms of intimidation. This includes, but is not limited to:
 - Physical harassment & abuse: use or threatened use of the act of tormenting by continued persistent attacks. Examples: slapping, pushing.
 - Verbal harassment & abuse: shouting, threatening, or using humiliating words towards a worker; threatening explicitly or implicitly to withhold employees' wages, benefits, access to food, opportunities for advancement and employment. Examples: threats of behaviour to harm a worker physically or psychologically.
 - Sexual harassment & abuse: unwelcome sexual advances, requests for sexual favours, and/or other verbal or physical conduct of a sexual nature. Examples: requiring any form of sexual favour in exchange for beneficial treatment in employment, or as a condition of maintaining employment; touching workers in any way that could be considered to have sexual implications; and making inappropriate sexual comments to workers.
 - Mental harassment & abuse: use of words or actions to harm the self-esteem of an employee. Example: behaviour which is reasonably understood by the worker to be demeaning.

Disciplinary Action

- Suppliers must not use harsh punishment, abusive behaviour, fines or monetary deduction, or withdrawal of basic physical comforts that are provided to other workers for disciplinary purposes.
- Suppliers are encouraged to use methods that fully respect employees' basic rights and dignity. Progressive course of action, beginning with verbal or written warnings shall be used before more serious disciplinary action is taken.
- To guarantee the fairness and effectiveness of the disciplinary procedures, suppliers must set up grievances procedures. When disciplinary action is taken, suppliers must give the workers access to the details of the allegations (or infractions) and have the right to respond to and/or appeal any disciplinary decisions without any repercussions.
- Suppliers must establish and communicate policies and procedures on acceptable and unacceptable disciplinary practices.
- Suppliers should apply disciplinary measures consistently and fairly among all personnel.



Ensuring Adherence

- Suppliers must have written policies and effective procedures that clearly state that any type of harassment or abuse is not allowed. The policies must work to prevent acts of abuse, discipline and harassment in the workplace, and must be effectively communicated to all staff and workers during orientation, and when policies are implemented or updated.
- Suppliers must document all disciplinary policies, procedures and actions, including the nature and specifics of any alleged infraction, the worker's response or appeals, the opinion of the trade union or worker committee representatives, the final decision and the action taken, etc. Disciplinary policies and procedures must be communicated to all workers and subcontractors.
- Suppliers must ensure the confidentiality of the grievance process to protect employees from retaliation for reporting harassment or abusive behaviour. Workers should be able to report inappropriate or discriminatory behaviour to someone other than their supervisors.
- Suppliers must provide training to managers and supervisors on implementing the policy (how to report cases, handle complaints and ensure confidentiality) and on recognising unacceptable behaviour. This training must include direction on how to enforce disciplinary rules fairly.

2.6. Health & Safety

- Suppliers must provide a safe and hygienic place to work, with sufficient light, heating, and ventilation.
- Suppliers must take precautions to prevent accidents and injury to health from occurring in the course of work, by ensuring safe handling and storage of chemicals, the safety of machinery and equipment, electrical safety, the safety, strength and stability of buildings, including residential facilities where provided, and by providing adequate safeguards against fire.
- Suppliers must provide workers with regular health & safety training, including fire safety training, training in waste management and handling of chemicals and other dangerous materials.
- Suppliers must provide access to clean toilet facilities, to potable water, and, if applicable, to sanitary facilities for food preparation and storage.
- Where provided, dormitories must be clean, safe, and meet the basic needs of workers.

- Detailed health & safety guidelines (general health & safety, building safety, emergency/fire preparedness, specific requirements for dormitories) can be found in appendix 2 of this document.



2.7. Protecting the Vulnerable

- Suppliers must give special consideration to the rights of those most vulnerable to abusive labour practices, such as women, home workers, agency workers, temporary workers, and migrant workers.
- Suppliers who employ home workers must adhere to the C&A Guidelines for the Use of Home Workers, which are included in the Supporting Guidelines to the Code of Conduct.

Home Working

- C&A recognises that in several sourcing countries, production activities that require extensive handwork (e.g. embellishments like sequences, beadings, rhinestones, fringes, hand embroideries or final trimming) are sometimes achieved through home workers.
- Where such activities are not required, or where suitable alternatives are available, suppliers must not employ home workers.
- When such activities are required, suppliers must declare the need and provide information regarding the production process, home workers' location, number of home workers in the location, and all the relevant contractors and subcontractors involved. The use of home workers is subject to C&A approval prior to the start of production.
- The use of home workers must follow the C&A Guidelines for the Use of Home Workers (appendix 3 of this document).

2.8. Regular Employment

- Suppliers must engage with workers on the basis of a recognised employment relationship established through national law and practice.
- Suppliers must not try to avoid the legal obligations arising from such a relationship.

Employment Contracts

- Suppliers must sign a written labour contract which includes all legally required provisions and stipulates wage & benefits, rules of employment, etc., which must be signed within one month after the date the worker starts employment.
- Both the supplier and the worker must sign the contract. Suppliers must provide a copy of the contract to the worker in his/her native language.
- Suppliers must not try to avoid obligations to employees under labour or social security laws through the use of labour-only contracting, subcontracting, home working arrangements, excessive use of fixed-term contracts, or through apprenticeship schemes where there is no real intent to impart skills or provide regular employment.
- A worker may dissolve his/her labour contract by giving a reasonable notice period stipulated by local law or as per industry best practice.



Apprenticeships

- C&A supports the development of legitimate apprenticeship programmes that are regulated by law for the education and benefit of young people, provided that:
 - Workers are not categorised as an apprentice beyond what is legally required,
 - Workers are guaranteed at least minimum wage, and,
 - Workers are not being exploited or given jobs that are dangerous to their health or safety
 - Suppliers must provide evidence that apprenticeship programmes are in full accordance with the requirements defined by law.

Probationary Periods

- Suppliers must not employ workers under training agreements. New recruits must be hired as probationary workers.
- Suppliers must not use probationary period that exceeds legal limits, and a worker should have no more than one probationary period, unless permissible by law.
- Suppliers must not pay probationary workers less than the lowest wage paid for the equivalent job post within the production unit, or less than the wage agreed upon in the contract, or lower than the minimum wage.



2.9. Wages

- Suppliers must compensate workers by paying wages, overtime pay, benefits and paid leave which meet or exceed legal minimum and/or industry benchmark standards, whichever is higher.
- Suppliers must compensate workers for all overtime at a premium rate, not less than 125% of the regular rate of pay, or higher if required by law.
- Wages and compensation must be paid regularly and on time, and be sufficient to meet basic needs and provide some discretionary income for workers and their families.
- Suppliers must not make any deductions from wages which are not provided for by national law, or as a disciplinary measure.
- Suppliers must provide workers with written and understandable information about employment conditions, including wages, before the start of employment, and about the details of their wages each time they are paid.

Payment of Wages

- Suppliers must pay wages in a timely manner, directly to the workers, and in the form of local or the stipulated currency, in accordance with the law.
- Suppliers must pay workers for all overtime hours worked, regardless of whether the supplier pays according to hours worked or piece rate, in accordance with legal requirements.
- Suppliers must have a process to demonstrate that piece rate payments are at least equivalent to the minimum wage.
- Suppliers must ensure that when stipulated by law, adequate insurance has been taken to cover workers for any injuries, accidents and death. This is applicable for all work on site and should, when stipulated by law, include contractors, temporary, and part-time workers.
- Suppliers must maintain payroll records on site for at least 12 months.

Deductions

- Suppliers must ensure that deductions, where legal, are reasonable, appropriate, and optional when related to services such as accommodations, transportation and food.
- Suppliers must provide items such as uniforms, equipment or special protective gear free of charge.

Informing Workers

- Suppliers must establish a written policy on wages and compensation, and communicate the policy to all workers and subcontractors.
- Suppliers must clearly communicate the piece rate to workers prior to the task. Suppliers must maintain records related to the number of pieces produced and the time spent in making them. Workers are allowed to check their records, and records are confirmed and signed by the workers.
- Suppliers must provide workers with a pay slip in the local language for each pay period, that details items such as regular working hours/days, overtime hours, piece rate wages (if applicable), gross wages, deductions and net wages.
- Suppliers must post the legal and company minimum wage rate, or make the information available to the workers.



2.10. Working Hours

- Suppliers must define standard working hours by contract, at a number that is in line with national law or collective agreements, with a maximum of 48 hours per week excluding overtime.
- Suppliers must make use of overtime work responsibly, not request overtime work on a regular basis, and accept that overtime is voluntary, and therefore not coerce workers to work overtime.
- Working hours may not exceed 60 hours in any seven day period, except in truly exceptional, unforeseeable circumstances.
- Suppliers must allow workers to take breaks, to have at least one day off in every seven day period, and to take statutory holidays.

Overtime Hours

- Suppliers must make use of overtime work responsibly, and must not rely on regular overtime to meet production demands. Suppliers should not plan normal production based on an anticipated level of overtime or to replace regular employment (for example instead of recruiting extra staff or establishing an extra shift).
- Overtime must be voluntary.
 - If suppliers provide transportation, it must be available at the end of the normal work day or shift so that workers who choose not to perform overtime can leave the facility.
 - If suppliers use daily production targets, they must be achievable within the standard working hours, so workers do not feel pressured to work overtime in order to meet them.
- Suppliers' internal policies must state clearly that workers are free to refuse overtime.
- Suppliers must offer all workers the opportunities to work overtime.
- Suppliers must give sufficient notice of overtime work to workers so alternative arrangements can be made if workers are not able to perform the work.
- Suppliers must document workers' consent to perform overtime work.
- Workers must be compensated for regular and overtime hours in accordance with the law.

Exceptional Circumstances

- C&A conditionally accepts more than 60 hours in a week, so long as suppliers comply with the following supplemental requirements:
 - Suppliers can demonstrate that exceptional circumstances apply.
 - This is allowed by national law.
- This is allowed by a collective agreement freely negotiated with a workers' organisation representing a significant portion of the workforce.
- Appropriate safeguards are taken to protect workers' health and safety. Suppliers must take appropriate measures (for example: conduct risk assessment, introduction of additional breaks, provision of transport home at night) to assess, mitigate and monitor workplace hazards and minimise the risk of injury for workers that are specifically related to long hours of work.



Breaks & Days Off

- Suppliers must provide legally mandated breaks, and, where no law exists, provide a minimum of 15 minutes break for every 4 hours.
- Suppliers must provide workers at least one day off in every 7 day period or, where allowed by national law, two days off in every 14 day period.

Time Recording

- Suppliers must allow workers to punch in and out for themselves, and provide access to their own attendance records upon request.
- Suppliers must use a reliable time recording system, whereby all regular hours, overtime hours and breaks are accurately tracked to reflect the real working hour situation.
- If a manual attendance system is used, it should meet C&A minimum requirements of detailed in and out time for all workers, including actual start times, breaks, end times, as well as sick days and leaves, with worker signatures.
- Suppliers must maintain attendance records on site for at least 12 months.

Ensuring Adherence

- Suppliers must have a written policy for working hours and overtime that is in accordance with legal requirements and clearly states that all overtime must be voluntary.
- Suppliers must educate workers on the standard work week, and seek their willingness to work overtime hours.
- Suppliers must communicate the policy to all workers, and provide them with the legal working hours and the production unit working hours/ schedules.
- For workers not interested in working overtime, suppliers must be supportive of their decision and not, in any way, force or coerce them to work overtime hours.



3. Environment

C&A believes that good environmental performance is a prerequisite for future success as an industry. Therefore, over time, C&A expects suppliers to go beyond compliance and manage environmental performance proactively. Where needed, C&A will work closely with suppliers to help them to achieve adherence.

- C&A wants to work with suppliers towards a business model that is sustainable in financial, social and environmental terms.
- Because most of the environmental impact resides in the supply chain, C&A wants suppliers to reduce their environmental impact.
- The requirements in this section are derived from the Zero Discharge of Hazardous Chemicals (ZDHC) initiative and the Global Social Compliance Programme (GSCP) Environmental Reference Requirements, which are based on three levels of proficiency.
- At a minimum, suppliers must meet Level 1 requirements ('Awareness and Compliance'), and demonstrate progress towards achieving Level 2 requirements ('Proactive Management and Performance Improvement') in the near future. Level 2 requirements are in addition to those of Level 1.
- Which environmental impacts must be managed depends on the nature of the production unit's activities. Initially, C&A plans to focus on production processes that have the most significant environmental impact, for example, fabric dyeing and wet processes in which a substantial quantity of wastewater is discharged, and substantial quantities of chemicals are used.

3.1. Legal Compliance

- Suppliers must comply with all relevant local and national environmental protection laws and regulations, and aim to meet international environmental protection standards.
- Suppliers must obtain all necessary environmental permits, and keep them up-to-date.

- Level 1**
- Suppliers must have written procedures in place and appoint personnel to obtain/ maintain current information on local & national environmental laws, and assign responsibility for implementing changes to a senior management representative.
- Level 2**
- Suppliers must be aware of, and ensure adherence to relevant international environmental regulations, such as REACH (on hazardous chemicals).



3.2. Environmental Performance Management

- Suppliers must have an environmental management system in place, and assign responsibility for environmental performance to a senior management representative.
- Suppliers must measure energy & water use, emissions & discharges into the environment, and disposal of wastes, and disclose this information to C&A, upon request.
- Suppliers must integrate environmental impact into business decisions, take a progressive approach towards improving environmental performance, and require the same from their suppliers and subcontractors.

Level 1

- Suppliers must understand how their activities affect the environment (e.g. pollution of air, water or soil), and which impacts are the most significant, i.e. could cause most damage to the environment.
- Suppliers must have a policy or guidelines that define the approach towards managing these environmental impacts.
- Suppliers must have basic management controls in place to reduce the most significant impacts.
- Suppliers must inform and train workers on how they can influence environmental performance.

Level 2

- Suppliers must have a formal environmental management system in place. An environmental management system is a set of written policies, planning tools, and procedures to measure, manage, and report on environmental performance.
- At a minimum, suppliers must measure the consumption of energy (e.g. in kWh of electricity, m³ of gas or litres of fuel) and water (m³), the volume of wastewater (m³) and waste disposal (tonnage). Initially, C&A plans to focus on suppliers which have energy-intensive and water-intensive processes, for example, fabric dyeing and finishing.
- Suppliers must disclose this information to C&A (upon request), to internal stakeholders (workers), and external stakeholders (e.g. neighbouring communities), as required.
- Suppliers must have an environmental policy, which includes a framework for setting and reviewing environmental objectives and targets.
- Suppliers must review environmental performance & progress against the targets at least annually.



3.3. Resource Use & Climate Change

- Suppliers must take measures to continuously improve energy efficiency in buildings, transport & production, and make reasonable efforts to use renewable or less carbon intensive energy sources.
- Suppliers with wet processes must take measures to continuously improve water efficiency.
- Suppliers must make reasonable efforts to ensure that their purchasing decisions do not contribute to deforestation, cruel treatment of animals, or adverse impacts on vulnerable ecosystems or endangered species.

Level 2

- Suppliers must set ambitious but realistic targets for the improvement of energy & water efficiency, i.e. the amount of energy/water consumed per unit of output.
- Subject to local availability & affordability, suppliers must strive to generate or procure energy from renewable sources, such as solar or wind power, or less carbon-intensive sources, e.g. natural gas instead of coal.
- Suppliers must make sure that their purchasing decisions are in line with C&A's sustainability commitments, e.g. no mulesed merino wool, no angora, no live-plucked down and feathers, and no impact on endangered species, as defined by CITES and the IUCN red list.
- Furthermore, as much as is reasonably possible, suppliers must ensure that cellulosic fibres do not originate from ancient or endangered forests.

3.4. Waste & Emissions

- Suppliers must take measures to reduce waste through design and operational efficiency, and facilitate reuse & recycling where possible.
- Suppliers must take measures to minimise noise pollution and emissions to air, soil, and groundwater.
- Suppliers must treat wastewater properly prior to discharge, test the wastewater as required to meet all national and local water discharge compliance standards, and share wastewater quality data with stakeholders, upon request from C&A.

Waste – Level 1

- Suppliers must maintain waste documentation for both non-hazardous and hazardous waste, in line with local regulations.
- Suppliers must segregate hazardous and non-hazardous waste, and train workers on how to handle both.
- Suppliers must check regularly that waste contractors have the required permits.
- Suppliers must ensure that no on-site waste burning and/or uncontrolled landfilling is undertaken.



Waste – Level 2

- Suppliers must engage with suppliers and customers to identify opportunities for waste reduction through prevention, minimisation, reuse, and recycling, and set ambitious but realistic targets.
- Suppliers must engage with suppliers and customers to identify waste reduction opportunities in the supply chain, e.g. avoiding excessive packaging, and avoiding waste through better design.
- Suppliers must segregate non-hazardous wastes to allow for better reuse and recycling.

Wastewater – Level 1

- Suppliers must ensure that wastewater permits are held and permit conditions are met.
- If the permit requires wastewater sampling & testing, suppliers must ensure that the laboratory is competent (accredited) and reputable.
- Suppliers must have a drainage plan in place, with a general understanding of the sources, contaminants and flow direction of wastewater.

Wastewater – Level 2

- Suppliers with 'wet processes' (e.g. fabric dyeing & finishing, garment washing, printing & finishing) must meet level 2 requirements, at a minimum. Level 2 requirements are on top of Level 1.
- Suppliers must have functioning on-site wastewater treatment in place, with sufficient treatment capacity, or establish a connection to an off-site wastewater treatment system.
- Suppliers must ensure that outgoing wastewater complies with the BSR Water Quality Guidelines (see appendix 5), or local legal requirements, whichever is stricter.
- Suppliers must ensure that sludge from the wastewater treatment plant is disposed of responsibly, using the best method available to prevent secondary pollution.
- Suppliers must set targets for the reduction of the volume of wastewater and the improvement of the quality of wastewater, e.g. in terms of suspended solids, biological and/or chemical oxygen demand, metals content, oil/grease content, temperature, pH.
- Suppliers must disclose wastewater volume and quality data to C&A (upon request), to internal stakeholders (workers), and external stakeholders (e.g. the general public), as required.

Other Emissions – Level 1

- Suppliers must understand the emissions to air (inside the working environment & into the environment), in terms of sources (point sources and fugitive emissions) and types of contaminants.
- Suppliers must have basic controls in place to reduce emissions to air, and to avoid contamination of soil & groundwater.



Other Emissions – Level 2

- Suppliers must set targets to manage and reduce air emissions, and regularly monitor emissions to track progress.
- Suppliers must conduct a soil and groundwater risk assessment, including the potential sources (on-site and off-site), receptors (i.e. what or who might be affected), and pathways.
- Suppliers must communicate any soil and groundwater contamination to relevant stakeholders, and ensure that appropriate remediation is performed.

3.5. Hazardous Chemicals

- Suppliers must work with C&A and their own suppliers towards the elimination of hazardous substances from the supply chain.

- Hazardous chemicals are substances that pose a wide range of health hazards (such as irritation, sensitisation, carcinogenicity, toxicity, etc.), physical hazards (such as flammability, corrosion, reactivity, etc.) and environmental hazards (such as hazards to the aquatic environment), at any stage of their lifecycle, from production to use to disposal.
- C&A has signed up to the ZDHC (Zero Discharge of Hazardous Chemicals) initiative, and wants to work with its suppliers towards this goal.
- Suppliers with 'wet processes' (e.g. fabric dyeing & finishing, garment washing, printing & finishing) must meet level 1 and 2 requirements, at a minimum.

Level 1

- Suppliers must maintain an inventory of all chemical substances used and stored on-site, together with relevant and up-to-date Material Safety Data Sheets (MSDS).
- The inventory must include information on the quantity of chemical substances used.
- Suppliers must have a policy for monitoring and controlling restricted substances, and train staff on how to implement this policy.
- Suppliers must communicate C&A's Restricted Substances List (RSL) to chemical suppliers, and to suppliers of fabrics and other materials, if applicable, and obtain written assurance that the chemical substances and/or fabrics & materials are in compliance with C&A's RSL.
- Suppliers must ensure that they purchase chemical substances from reputable chemical suppliers.



Level 2

- Suppliers must assign the responsibility for chemicals management to a senior management representative.
- Suppliers must set targets for the reduction of the quantity of chemical substances used, e.g. through more efficient processes & technologies.
- Suppliers must have a procedure for evaluation, selection & disqualification of chemical suppliers.
- Suppliers must have a process to verify assurances from chemical suppliers that their products are compliant with C&A's RSL.
- Suppliers must keep a record of all chemical substances purchased, and retain purchase orders for at least one year.

4. Anti-Corruption

C&A expects suppliers to adhere to high ethical standards in business practices.

- Suppliers must comply with all applicable anti-bribery and corruption laws.
- Suppliers must not offer, pay, solicit or accept bribes, including facilitation payments.
- Suppliers must have an anti-corruption policy and procedures in place, and review them regularly to ensure that they are operating effectively.

Definitions

- A bribe may involve giving or offering ANY form of gift, consideration, reward or advantage to someone in business (including C&A and its representatives) or government, in order to obtain or retain a commercial advantage or to induce or reward the recipient for acting improperly or where it would be improper for the recipient to accept the benefit.
- Bribery can also take place where the offer or giving of a bribe is made by or through a third party, e.g. an agent, representative or intermediary.
- Facilitation payments are small payments or fees requested by government officials to speed up or facilitate the performance of routine government action (such as the provision of a visa or customs clearance). Such payments are strictly prohibited.



Ensuring Adherence to the Code of Conduct

C&A recognises that it can be challenging to achieve full compliance with the requirements of the Code of Conduct, but believes that this is critical for the future commercial success of both C&A and its suppliers.

Adhering to the Code of Conduct is no less important than meeting our quality standards or delivery terms.

C&A will make serious efforts to work with suppliers who are open, honest, and committed to continuous improvement, and will support them to achieve the requirements.

1. Managing Performance

- Suppliers must have an effective management system to proactively manage adherence to the Code of Conduct, and assign responsibility for compliance to a senior management representative.
- Suppliers must make workers aware of the requirements of the Code of Conduct, and train its managers and supervisors on how to achieve them.
- Suppliers must conduct internal assessments on a regular basis.
- Suppliers are responsible for ensuring compliance with the Code of Conduct by subcontractors.
- Suppliers must obtain approval from C&A for all production units, whether owned or subcontracted, prior to the start of production. The use of any unauthorised production unit is strictly prohibited.
- Suppliers may not subcontract any part of the production process without prior written consent from C&A, and only after a) the subcontractor has agreed to comply with the Code of Conduct, and b) the subcontractor has passed an audit.

Management Systems

- Effective management systems, the framework for policies and procedures, ensure that adherence to the Code of Conduct is part of the day-to-day operation of the production unit. A supplier with strong management systems will have mechanisms that alert them immediately when there are issues that need to be addressed. They will have preventative measures in place to ensure that issues do not reoccur.
- In this way, suppliers must take ownership of their compliance programme and ultimately improve business operations with fewer accidents, less employee turnover, less rework, and higher productivity. All of these improvements can lead to a stronger relationship with C&A.
- Suppliers must conduct internal assessments on a regular basis to ensure conformity to legal and regulatory requirements and the C&A Code of Conduct.
- Suppliers must have a formal management system or programme aimed at understanding and continuously improving the production unit's social and environmental performance and impact.



Subcontracting

- C&A requires full disclosure of all production units used for C&A worldwide. A production unit is any factory or subcontractor producing merchandise for sale at C&A including, but not limited to: cutting, sewing, embroidery, trims, accessories, printing, laundry/ washing, dry processing, garment dyeing, panel knitting, linking, and final assembly/ packing.
- All production units, including home workers, must be disclosed by the suppliers in writing, and approved by C&A, prior to the start of production.
- Suppliers must ensure that factory managers, supervisors and workers are trained on the C&A Code of Conduct and the Supporting Guidelines.
- Suppliers must conduct an assessment of the subcontractor's production unit(s), based on the C&A Code of Conduct, to identify possible issues, and work with the subcontractor/production unit to create improvement plans to be implemented by the subcontractor/production unit.
- Suppliers must ensure that a management representative is appointed to implement the improvement plans, and conduct periodic internal assessments to ensure continuous improvement on any outstanding issues.

2. Monitoring & Transparency

- Suppliers must allow C&A and/or its representatives to perform assessments, whether announced or unannounced.
- Suppliers must be cooperative and transparent during an assessment, and provide unrestricted access to workers, records, work areas, and to dormitories, if applicable.
- Suppliers must allow worker interviews to take place in a private setting, and must not coach workers on how to respond to questions.
- Suppliers must maintain complete and accurate records so that compliance can be effectively assessed, and not manipulate information or misrepresent any aspects of its operations.
- Suppliers must allow C&A to disclose names and locations of suppliers and production units, as well as information on their performance under the Code of Conduct, to third parties.
- Suppliers must provide assistance to C&A and/or its representatives to perform audits at their own suppliers and subcontractors, upon the request of C&A.



3. Sanctions

- C&A has a confidential whistleblowing system in place called the Fairness Channel, through which all stakeholders, including suppliers, factory workers, and C&A employees, can report unethical behaviour and violations of the Code of Conduct to top management of C&A.
- In case of violations of the Code of Conduct, C&A will ask the supplier to develop an improvement plan, with C&A's support if necessary, and implement it within a certain time frame, which may vary depending on the nature of the violation.
- In case of egregious violations, including, but not limited to child labour, forced or prison labour, bribery, fraud, use of counterfeit components, and use of unauthorised production units, and/or in case of continued failure to implement the agreed improvement plans, C&A reserves the right to terminate the business relationship with the supplier, including cancellation of outstanding orders.
- C&A will hold suppliers liable for any damages and expenses incurred by C&A, including loss of revenues and/or profits, which may result from violations of the Code of Conduct by suppliers, including their subcontractor(s).

Fairness Channel

- As bribery, corruption, fraud, harassment, discrimination and other kinds of unacceptable behaviour are difficult to identify and prove, C&A has established the Fairness Channel: a secure and effective complaint management system where applicants (clients, suppliers, employees, or other stakeholders) can, confidentially, report unethical behaviour or practices.
- Contact details of the Fairness Channel are provided in Appendix 4.

C&A wants to build long term relationships with suppliers who are genuinely committed to working together towards better labour conditions and environmental performance, and will help them to overcome the difficulties they may face.



Appendix 1

Glossary of Terms

Bonded labour

Work for an employer not for compensation received by the worker, but to pay off a debt, which is often incurred by another worker offering the worker's labour in exchange.

Child

Any person less than 16 years of age, unless local law stipulates a higher age for work or mandatory schooling, in which case the higher age shall apply.

Collective bargaining

Sometimes called a Collective Bargaining Agreement, collective bargaining is an arrangement whereby working conditions and wages are fixed by negotiation between workers' representatives (a trade union or other body) and production unit management.

Excessive fees

Fees charged to a worker that is in excess of the amount legally permitted by any applicable law of the host or home country. Or, in the absence of such law, fees substantially above the prevailing market rate.

Freedom of association

The right of all workers to join or form a trade union of their own choosing, which is legal in the country in which merchandise is manufactured, and carry out trade union activities without interference from their employer or from public authorities.

Forced labour

All work or service that is extracted from any person under the menace of any penalty for which the said person has not offered him/herself voluntarily or for which such work or service is demanded as a means of repayment of debt.

Grievance procedure

A process or procedure, for workers who feel that they have been treated unfairly, to voice their concerns without fear of repercussion.

Harassment

Unjustifiable conduct, typically persistent and repetitive, aimed at an individual, which causes distress or discomfort.

Hazardous jobs

Hazardous jobs include working with dangerous machinery/ equipment (e.g. knives, saws); chemicals or hazardous substances; noisy environments; lifting heavy things; extreme cold or hot conditions.

Human rights

A set of principles defined in the Universal Declaration of Human Rights (1948), based on the recognition of the inherent dignity and the equal and inalienable rights of all members of the human family as the foundation of freedom, justice and peace in the world.



Indentured labour

Work performed on behalf of an employer who forbids workers from leaving employment at the worker's discretion.

Piece rate

A method of paying workers by the number of items they produce, rather than the number of hours they work.

Preventative Measures

While corrective action immediately corrects the problem, preventative measures prevent the issue from reoccurring.

Production unit

A production unit is any factory, operated by a supplier or subcontractor, producing merchandise for sale at C&A, with activities that can include, but are not limited to: cutting, sewing, embroidery, trims, accessories, printing, laundry / washing, dry processing, garment dyeing, panel knitting, linking, and final assembly / packing.

Subcontractor

A subcontractor is an individual or in many cases a business that signs a contract to perform part or all of the obligations of another's contract.

Trade union (or "Union")

An organisation of workers that promotes and protects the interests of its members with regards to issues such as wages and working conditions through negotiations with employers.

Young Worker

Also known as a "juveniles" or "minors" or any worker over the age of a "child" as defined above, and under the age of 18.



Appendix 2

Detailed Health & Safety Guidelines

1. Health and Safety Management System

Suppliers must establish systematic policies and procedures based on precaution and prevention depends on risk assessment, or identifying potential workplace hazards.

Management Commitment

- Suppliers must appoint a senior management representative to oversee health and safety, including fire safety, in the workplace. The representative must have knowledge of, and regularly monitor the production unit to ensure compliance with all health and safety related local legal regulations and internal policies/procedures. The representative is responsible for: 1) **risk assessments** – this information is utilised to measure and report progress, 2) ensuring that all training is conducted to ensure worker safety, 3) improvement plans are implemented, and 4) conducting internal assessments to ensure ongoing compliance and continuous improvement on any outstanding issues.

Training

- Suppliers must provide regular and effective health and safety training to all workers, prior to starting a new job and repeat as needed, on 1) how to perform their tasks safely and with minimum risk to health and 2) about the potential hazards or occupational risks of the workplace.
- Suppliers must document trainings to demonstrate compliance.
- Suppliers must give accident prevention training to machine operators when they start work at a new machine and repeat the training as needed.
- Suppliers must provide workers engaged in special tasks with specialized training, and make sure that they acquire a license for such tasks. Examples include: boiler operator, cargo lift operator, forklift driver and electrician.



Accident Prevention and Risk Control

- Suppliers must carry out regular formal health and safety risk assessments and develop priority area for actions.
- Suppliers must check machinery, equipment and fixtures regularly to ensure that they are in safe working condition. They must maintain documentation to demonstrate compliance.
 - Suppliers must install protective devices that guard against injury, including but not limited to finger guards, pulley guards, eye guards and ensure these devices function effectively.
 - Machines must in all cases be fitted with fully operational emergency cut-off switches.
- Suppliers must take adequate steps to prevent accidents, injury and impact to health arising out of, associated with, or occurring in the course of work, by minimizing, so far as is reasonably practicable, the causes of hazards inherent in the working environment.
- Suppliers must properly maintain injury and incident records, investigate and report all significant accidents, incidents and near misses, and take corrective action to minimise any re-occurrence.
- Suppliers must seek to eliminate risk where possible, for example, use alternative and less hazardous or eco-chemicals to make workplace significantly safer.
- Where alternatives are not available, suppliers must use engineering solutions and work practices to reduce exposure to hazardous chemicals and substances and dangerous activities. Suppliers must not use sandblasting (the act of propelling very fine bits of material at high-velocity to clean or etch a surface) in the production process.
- Where human exposure cannot be eliminated, suppliers must provide maximum protection to avoid injury. Suppliers must provide the appropriate personal protective equipment (PPE)/clothing for workers and machines, and ensure that workers are trained on how to use the PPE, and why it is important and the use of it is required.
- Suppliers must have a medical clinic available on-site or in close proximity, to address basic health and injury needs, and must have a system in place to address severe injuries, such as an agreement with the local hospital, transportation arrangements, etc.



2. General Health and Safety

- Suppliers must provide a safe and hygienic working environment, bearing in mind the prevailing knowledge of the industry and of any specific hazards.
- Suppliers must be aware of industry best practices, and have a policy and plan to achieve higher standards, where reasonably practicable, on a continuous improvement basis. There must be a written policy and it must be effectively communicated to all workers and subcontractors.
- Suppliers must maintain health and safety certificates and permits, where available and required by law, to demonstrate compliance with the safety standards in this document. Certificates/permits may include, but are not limited to, electric, boiler, generator, pressure/LPG tank, operator licensing, and fire safety.
- Suppliers must provide access to potable water, and, if appropriate, sanitary facilities for food storage. Annual testing must be conducted on all drinking water to ensure it is safe.
- Suppliers must provide a reasonable number (male 1:50; female 1:25) of operating toilets that are hygienic, offer privacy (i.e., ability to lock doors), and a good ventilation system to provide good circulation of air to reduce odours.
- Suppliers must provide free occupational health checks to workers exposed to chemical, dust, noise and other hazardous situations as required by law.
- Suppliers provide ventilation where paints, chemicals, sprays (solvents, solder, dust) are used, to prevent accumulation of flammable vapours.
- Suppliers must ensure that railings guard all stairs, platforms, and elevated floors

3. Building Safety

- Suppliers must ensure that the structure of the production unit, including dormitory facilities provided by the production unit, is stable and safe, does not exceed the approved loading, and does not put people in jeopardy.
- Suppliers must conduct building inspections on a regular basis as per country law or industry practice.
- Suppliers must be based in a building approved only for industrial use (without market places, shops and residences).
- Building must be under single occupancy/ownership. Exceptions may be made by C&A subject to the validity of the whole building's fire license, building certificate, whether a common fire drill has been conducted, and whether there is a centralised fire alarm system for the entire building.
- Suppliers must align the building structure and use (all areas of the buildings including the rooftop) with the approved building plan, with no additional floors or external retrofit structures.
- Production unit's address must match the address on the business license.
- Suppliers must ensure that a valid fire license is available, covering the entire building.



4. Emergency/Fire Preparedness

- Suppliers must communicate fire and emergency evacuation plans and post diagrams in the local language in various locations around the production unit. The plan must illustrate critical information such as emergency evacuation routes, a “you are here” mark, correct layout direction, location of fire extinguishers and hydrants, and instructions in the local language of what to do in the event of an evacuation.
- Suppliers must train designated personnel (workers and supervisors) at regular intervals in fire safety, the use of fire extinguishers, and how to administer the fire prevention procedures and emergency evacuation plan.
- Suppliers must conduct evacuation drills regularly, with roles and responsibilities clearly defined, at a frequency defined by law. If the law is silent, then every six months. Production units located in Bangladesh must conduct evacuation drills at least every three months (90 days). Photos – with date stamps if possible – and other relevant documentation are maintained for each drill to demonstrate compliance.
- Suppliers must ensure that emergency assembly points are designated and adequate, i.e. away from roads, buildings, and flammable or combustible objects/materials.
- Exit routes must not be obstructed by equipment, materials, production, etc. (internally and externally), clearly marked and regularly checked.
- At least two exits must be available in a workspace that is more than 70 m² and in a workspace where there are more than 20 people. Exits must be unlocked, clearly marked with an ‘exit’ signage, swing out in the direction of exit, and lead to the designated emergency assembly points. Doors that are not exits must be labelled as such, i.e., “NOT AN EXIT,” and elevators must be labelled with “Do not use in the case of a fire”.
- Suppliers must have emergency lighting, with back-up power, for all stairways and where needed on exit routes. The lighting must be inspected periodically and be of industry grade. Heat insulation must be implemented where required.
- Suppliers must have a centralized fire alarm system that can be heard by all workers and is visible in noisy areas (where earplugs are required). The system must have sufficient number of pull station/call points, must be regularly inspected (based on the law), clearly marked, easily accessible, tested in coordination with fire drills and equipped with emergency back-up power.

For a building that is more than 75 feet (23 meters) in height, automatic fire detection devices (for example, smoke, heat or flame detectors) must be installed in key locations. When required by law, a sprinkler system must be installed.
- A centralized PA (Public Address) system that reaches all individuals and floors must be in place and tested in conjunction with the fire alarm system.
- Firefighting equipment, including fire extinguishers and hoses, must be easily accessible, clearly marked, and routinely inspected to ensure they remain operational and have adequate pressure. Specifically:
 - At least one hose per 929 m² is available
 - The hose pressure is capable of maintaining at >2 bar at the highest point
 - Fire extinguishers/hoses are highly visible (for example, wall mounted) and their position must have clear signs and unobstructed access
 - A minimum of one fire extinguisher per 100 m², or at least 2 on every level if the total surface is below 200 m²
 - Appropriate types of fire extinguishers (for example: dry power, CO₂, etc.) are available based on the fire hazards.
 - Fire extinguishers must be serviced every year. The service date must be indicated on the extinguisher or service reports must be available to demonstrate compliance.
 - If there is a pressure gauge, the indication must be in the “green” area.
 - Water capacity is available from the overhead tank and additional supply is available if needed.



- Certified fire resistant doors that conform to NFPA 252 or BS 476 part 22 or EN 1634-1 or GB 12955-2008 are in use in all stairwells (fire protection rating: 1 hour for 1-3 floors, 1.5 hours for 3+ floor). When generator rooms, transformer rooms and warehouses are within 3 meters of the production area or share walls with the production area or stairwells, walls must be fire-rated and doors must be fire resistant (conform to NFPA 252 or BS 476 part 22 or EN 1634-1 or GB 12955-2008).
- Fire engines and other emergency vehicles must have access to the facility without difficulty and with sufficient space to manoeuvre. Suppliers may be asked to provide approval from the local fire department.
- Suppliers must ensure that fabric, yarn, semi-finished and finished goods are stacked in a manner to provide stability against sliding and collapse and where workers are not required to reach overhead repeatedly.
- Suppliers must ensure that fabric, yarn, semi-finished and finished goods are appropriately stored in designated areas away from production, evacuation routes and electrical sources.
- Suppliers must maintain sufficient first-aid supplies on work floors. Suppliers must have one trained first aider per every 100 workers, or as required by law, to assist in an emergency.
- Gas cylinders must be properly marked, used, inspected, stored and secured.
- Floors must be kept clean from hazardous spills and materials.
- Emergency and other hazardous signage must be appropriate, clearly visible, and compliant with the local legal requirements.
- Generator and boilers must be isolated from any production area.
- No smoking signs must be posted in non-designated smoking areas, including sensitive areas such as chemical storage areas.
- Suppliers must ensure that no room in any production unit is overcrowded as defined by the building permit, if stipulated include the maximum number of the people building is approved to hold.
- Child care facilities must be on the ground floor and away from any production area.
- Flammable and combustible chemicals must be stored appropriately in a detached storage or at least contained by fire-resistant cabinets. Explosion-proof electrical lighting equipment must be used when required by (Material) Safety Data Sheet.

5. Chemical Safety

- Suppliers must be familiar with all chemicals on site and communicate the potential health effects to the relevant workers. Workers who handle chemicals should be trained in safe chemical handling.
- Suppliers must identify and effectively manage the risk areas, such as toxic substances, by providing the applicable training and ensuring chemicals are properly stored and labelled with Material Safety Data Sheets (MSDS) that are available to workers in the local language.
- Suppliers must ensure that chemicals are stored in a separate area which is equipped with the appropriate fire extinguishers, safety signs, ventilation, spill response kit, instructions on handling and disposal, and personal protective equipment for workers.
- Suppliers must ensure that all chemical containers – including storage and process tanks, piping and valves – are labelled (in the local language) and/or color-coded.
- Suppliers must provide emergency eyewash stations and/or showers where corrosive chemicals or several solvents are handled and used. Employees should be able to wash both eyes at the same time.
- Flammable and combustible chemicals must be segregated from oxidizing chemicals, reactive chemicals, electrical sources, etc.



6. Electrical Safety

- Electrical equipment, wiring, power sockets, switches, etc. must be properly maintained by a licensed electrician(s), marked, and covered/insulated to prevent exposure of wires.
- Suppliers must conduct an electrical safety check regularly, and documentation must be maintained to demonstrate compliance and that immediate action is taken as needed.
- Electrical junction boxes, electrical control rooms and fuses boxes are secured with restricted entry for authorized personnel and made of flameproof material.
- High-voltage warning signs are displayed next to main power connections or main fuse boxes.

7. Production Unit Sponsored Dormitories

Where dormitories are required and are permitted, all health and safety standards listed above and below must be implemented in dormitories.

- Accommodations and food service area must be clean, hygienic and safe living environment for workers, comply with all legal regulations regarding dormitory facilities, and meet the basic needs of the workers.
- Dormitories must be clearly separated from the production facility and/or warehouse.
- Production units must provide separate accommodations, toilets, and showers for males and females.
- In workers' sleeping rooms, the International Labour Organisation (ILO) recommends the floor area not be less than 7.5 m² in rooms accommodating two persons; 11.5 m² in rooms accommodating three persons; or 14.5 m² in rooms accommodating four persons. If a room accommodates more than four persons, the floor area should be at least 3.6 m² per person.
- Residents must have their own bed, an area for personal items (e.g. lockers) and the ability to secure belongings.
- There must be a reasonable number of operating toilets and showers that are clean and separated by gender. The ILO recommends a minimum of one toilet, one wash basin and one bathtub or shower for every six persons. Toilets must offer privacy (i.e. ability to lock doors) and a good ventilation system to provide good circulation of air to reduce odours.



Appendix 3

C&A Guidelines for the Use of Home Workers

These guidelines are concerned with home workers, who are home-based subcontracted or home-based dependent workers working for an employer, intermediary or subcontractor for a piece rate.

C&A realises many fashion styles require extensive handwork (embellishments like sequences, beadings, rhinestones, fringes, hand embroideries or final trimming), and that a production unit may not have the internal capacity readily available.

The issue at stake is that the conditions which have been found to exist in various very small workshops used to fulfil the fashion demand are unacceptable, with suspected use of child labour, underpayment of wages, unrealistic piece rate calculation, unreasonable wage deductions and unsafe working conditions.

To help minimize potential risks associated with home workers in the supply chain and promote full transparency, C&A created the guidelines below, based on guidance provided by the Ethical Trading Initiative (ETI). Suppliers¹⁾ must adhere to these guidelines and to arrange these activities in organized and visible location(s).

We advise the following production options in order of preference:

1. Avoid the use of home workers and place the order at an active listed Production Unit.
2. Monitor the use of home workers by arranging the home-based workers to work at a Dedicated Centres / Checking Centres.
Suppliers must register the Dedicated Centres / Checking Centres with C&A. Dedicated Centres / Checking Centres are audited by C&A's Sustainable Supply Chain team.

¹⁾ C&A Brazil's domestic suppliers are not permitted to use home workers.



Following are the guidelines to detail our commitment as a member of ETI to guarantee fair labour conditions:

- Suppliers must have a home worker/subcontracting policy.
- Complete details of home workers used for C&A production are required to be disclosed to C&A as soon as orders are confirmed/ placed. This list should include total order quantity/ production time period/ addresses of home workers/contractors, etc.
 - All home workers must be registered with C&A.
 - The total home worker supply chain must be documented, as per below example:

Name of Production unit: _____

Details of production process - which are outsourced:

Production process	Contractor name / address	Dedicated Centre Address	Home workers location village / town	Approx. number of HWs in location
Embroidery	Max Mustermann street nr	Name of Center street nr	Jonpur, Bareilly	150

- Contracts with home workers should clearly specify the terms and conditions of the relationship and be available to C&A, or our third party representatives, upon request.
- Each home worker must sign a self-declaration agreement in the local language that no person below the age of 16 years will do the work being outsourced.
- Home workers are usually paid by piece rate. Suppliers must have a process to demonstrate the piece rate payments are at least equivalent to the legal minimum wage. Where there is no minimum wage defined for homework, the rates should be equivalent to the minimum wage defined for a factory worker doing the same task.
- Piece rate calculation per order to be defined and to be made available to workers and C&A (minimum wages based on average productivity).
- Individual payment records of home workers must be maintained and available. Details of deduction from payment if any (e.g., rework needed, missed lead time) must be clearly recorded.
 - Below is a model log book to be used by contractors /sub-contractors/home workers to enable the home workers to keep work records, material provided, payment received, and date of payment. This information is signed/confirmed by the contractor.
 - Keeping a log book is an important step in ensuring that home workers receive full payment for the work done.



- The Dedicated Centre should maintain payment records, time cards, production records, home workers family details, rework records and other documents as required.
- Supplier/Production Unit ensures a safe and hygienic work environment is provided at all times.
- C&A strongly advises suppliers/production units to interact with other stakeholders, such as NGOs/Trade Unions, voluntary & community organizations, which are active with home workers in the area and carry out their own research before distributing work to contractors/home workers.
- Supplier/Production Unit arranges an internal working group with a senior level associate to review systems and to monitor the process during production to ensure that no work is outsourced to undisclosed contractors /home workers and that the approved contractors/ home workers adhere to these guidelines.

Model log book (As per Ethical Trading Initiative Guidelines)

Name of worker: _____

Product/Style : _____

Rate: _____

Date	Amount of material given	Agreed piece rate	Date	No. of finished goods received	Deductions	Payment due	Payment received	Contractor signature
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For detailed guidance on working with home workers, including how to set appropriate piece rates, see the [ETI Home worker Guidelines](#).

On-site visit reports of dedicated home workers should be shared with C&A. Copies of such reports should also be available for review by C&A, or our third party representatives, during a C&A assessment.



Appendix 4

Fairness Channel Information

The contact details of C&A's Fairness Channel are:

Email	CSA@c-and-a.com
Telephone number	+49-211-9872-3883
Post address	C&A Corporate Social Affairs The Fairness Officer Confidential Post box 102264 D-40013 Düsseldorf Germany

The Fairness Channel is currently being expanded to other Regions. In the meantime, please report unethical behaviour or violations of the Code of Conduct to the local C&A Head of Sustainable Supply Chain management.



Appendix 5

BSR Water Quality Guidelines (Revised June 2010)

The guidelines provide a limit value for each parameter.

Below these values and/or the local legal values (whichever is more stringent), a facility can be considered 'in compliance' with the guidelines.

1. Sampling & Traditional Parameters

Parameter	Limited value
Sampling	
Temperature	$\leq 37^{\circ}\text{C}$
pH, Standard Unit	6.0-9.0
Traditional Parameters:	
Total Suspended Solids (TSS)	≤ 30 ppm
Biological Oxygen Demand (BOD)	≤ 30 ppm
Chemical Oxygen Demand (COD)	≤ 200 ppm



2. Chemical Constituents

Parameter	Lower limited value
Antimony	≤ 0.50 ppm
Arsenic	≤ 0.01 ppm
Cadmium	≤ 0.01 ppm
Chromium	≤ 0.10 ppm
Cobalt	≤ 0.02 ppm
Copper	≤ 0.25 ppm
Cyanide	≤ 0.20 ppm
Lead	≤ 0.10 ppm
Mercury	≤ 0.01 ppm
Nickel	≤ 0.20 ppm
Zinc	≤ 1.00 ppm
Colour	≤150 ADMI units or 150 CO-PT units

3. Other Parameters

Coliform	400 bacteria per 100ML
Foam	No visible discharge of floating solids or persistent foam.
Domestic Sewage	Sewage must not be discharged directly into open bodies of water. If there is no public treatment facility available, a treatment system should be installed.
